

HOUSE BILL REPORT

SB 6218

As Reported by House Committee On: Appropriations

Title: An act relating to the definition of salary for the Washington state patrol retirement system.

Brief Description: Modifying the definition of salary for the Washington state patrol retirement system.

Sponsors: Senators Schoesler and Conway; by request of Select Committee on Pension Policy.

Brief History:

Committee Activity:

Appropriations: 2/29/20 [DP].

Brief Summary of Bill

- Allows the cash value of unused leave to be included in the calculation of pension benefits for Washington State Patrol Retirement System Plan 1 members first employed on or after July 1, 2001.

HOUSE COMMITTEE ON APPROPRIATIONS

Majority Report: Do pass. Signed by 31 members: Representatives Ormsby, Chair; Robinson, 1st Vice Chair; Bergquist, 2nd Vice Chair; Stokesbary, Ranking Minority Member; Rude, Assistant Ranking Minority Member; Caldier, Chandler, Chopp, Cody, Corry, Dolan, Dye, Fitzgibbon, Hansen, Hoff, Hudgins, Kilduff, Kraft, Macri, Mosbrucker, Pettigrew, Ryu, Schmick, Senn, Springer, Steele, Sullivan, Sutherland, Tarleton, Tharinger and Ybarra.

Staff: David Pringle (786-7310).

Background:

The Washington State Patrol Retirement System (WSPRS) was created in 1947 and covers all commissioned officers of the Washington State Patrol (WSP). In 2001 Engrossed Senate Bill 5143 (ESB 5143) was enacted, closing WSPRS Plan 1 as of December 31, 2002, and

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creating a Plan 2 covering fully commissioned officers entering the system on or after January 1, 2003.

In addition to creating Plan 2, ESB 5143 made several changes to Plan 1: it increased the cost-of-living adjustments provided to retired Plan 1 members; reduced contribution rates; and modified the definition of "salary" for the purposes of calculating pension benefits for all WSPRS members. One of the changes to the new definition of the salary for members enrolled in WSPRS on or after July 1, 2001, was to exclude lump sum payments for holiday pay, unused sick, vacation and annual leave, or any form of severance, from pension calculations. This time period covered Plan 1 members entering the Plan between July 1, 2001, and all members of Plan 2. The salary for WSPRS Plan 1 members enrolled prior to July 1, 2001, still included the lump sum payments in calculating pension benefits.

Summary of Bill:

The definition of "salary" for the purposes of calculating pension benefits for WSPRS Plan 1 members that entered the system on or after July 1, 2001, is changed to allow for the inclusion of lump sum payments for holiday pay and unused vacation and annual leave.

Appropriation: None.

Fiscal Note: Available.

Effective Date: The bill takes effect 90 days after adjournment of the session in which the bill is passed.

Staff Summary of Public Testimony:

(In support) The WSPRS has two plans, 1 and 2. During a one and a half year period there were two classes of troopers that became members of Plan 1, but didn't get this vacation and annual leave cash out benefit as part of their pension calculation. This bill takes care of the problem, costing about \$2.7 million over 10 years. The bill addresses an issue of equity for members of Plan 1.

(Opposed) None.

Persons Testifying: Davor Gjurasic, Washington State Patrol Troopers Association; and Jeff DeVere, Washington State Patrol Lieutenants and Captains Association.

Persons Signed In To Testify But Not Testifying: None.